

## INSURANCE

As part of the consideration of this Agreement, grantee agrees to purchase and maintain at its sole cost and expense during the life of this agreement insurance coverage as specified in 1), 2), and 3) described below. All insurance coverage shall be placed with insurers that have a Best rating of no less than B+: XII; and are admitted insurance companies in the State of California. All other insurers require prior approval of the City.

- 1) General and Automobile Liability: Combined single limits of not less than One Million Dollars (\$1,000,000) per occurrence and Two Million Dollars (\$2,000,000) aggregate of General Liability and One Million Dollars (\$1,000,000) per occurrence and Two Million Dollars (\$2,000,000) aggregate of Automobile Liability insurance, including Bodily Injury and Property Damage. Such insurance shall include the following seven (7) items.
  - a) Extension of coverage to City, its officers, employees and agents, as additional insureds, with respect to Consultant's liabilities hereunder in insurance coverage identified in item "1." above, but only as respects to the operations of the named insured. A copy of the endorsement evidencing that the City of Santa Barbara has been added as an additional insured on the policy, must be attached to the certificate of insurance.
  - b) A provision that coverage will not be cancelled or subject to reduction until at least thirty (30) days' prior written notice has been given to the City Clerk, addressed to P.O. Box 1990, Santa Barbara, California 93102-1990.
  - c) A provision that Consultant's insurance shall apply as primary, and not excess of, or contributing with the City.
  - d) Contractual liability coverage sufficiently broad so as to include the liability assumed by the Consultant in the indemnity or hold harmless provisions included in this Agreement.
  - e) A Cross Liability clause, or equivalent wording, stating that coverage will apply separately to each named or additional insured as if separate policies had been issued to each.
  - f) Broad form Property Damage Endorsement.
  - g) Policy shall apply on an "occurrence" basis.
- 2) Workers' Compensation: In accordance with the provisions of the California Labor Code, Consultant is required to be insured against liability for Workers' Compensation or to undertake self-insurance. Statutory Workers' Compensation and Employers' Liability of at least \$1,000,000 shall cover all Consultant's staff while performing any work incidental to the performance of this agreement. The policy shall provide that no cancellation, major change in coverage or expiration shall be effective or occur until at least thirty (30) days after receipt of such written notice by City.
- 3) Professional Liability: Professional Liability (Errors and Omission) insurance with limits of liability of not less than One Million Dollars (\$1,000,000) to cover all

services rendered by the Consultant pursuant to this Agreement. Said policy shall provide that City shall be given thirty (30) days written notice prior to cancellation or expiration of the policy or reduction in coverage.

Approval of the insurance by City or acceptance of the certificate of insurance by City shall not relieve or decrease the extent to which the Consultant may be held responsible for payment of damages resulting from Consultant's services or operation pursuant to this Agreement, nor shall it be deemed a waiver of City's rights to insurance coverage hereunder.

Contractor must provide evidence that it has secured the required insurance coverage before execution of this agreement. A Certificate of Insurance supplied by the City evidencing the above shall be completed by Consultant's insurer or its agent and submitted to the City prior to execution of this Agreement by the City. Consultant shall exercise due diligence to require all subcontractors and all tiers of such subcontractors to provide General and Automobile Liability, Workers' Compensation, and Professional Liability insurance as set forth in 1), 2), and 3) of this section.

If, for any reason, Consultant fails to maintain insurance coverage which is required pursuant to this Agreement, the same shall be deemed a material breach of contract. City, at its sole option, may terminate this Agreement and obtain damages from the Consultant resulting from said breach. Alternately, City may purchase such required insurance coverage, and without further notice to Consultant, City may deduct from sums due to Consultant any premium costs advanced by City for such insurance.